

Adopted Operating Budget and Capital Improvements Program

FY 2004
City of Rockville, Maryland

Policies and Goals

Pages 21 - 40

Financial Management Policies

Budgetary Practices

1. **Operating Budget Practices:** Each department and division prepares its own budget for review by the City Manager. The budget is approved in the form of an appropriations ordinance after the Mayor and Council has conducted advertised public hearings. *The Operating Budget is adopted at the fund level.* During the year, it is the responsibility of the City Manager to administer the budget. The legal control, which the budget ordinance establishes over spending, is set up under Generally Accepted Accounting Principles. The City Manager has the authority to transfer budgeted amounts between departments within any fund, but changes in the total appropriation level for any given fund can only be enacted by the Mayor and Council through an amendment to the current appropriations ordinance. The City will strive to adopt an annual General Fund budget in which expenditures, net of pay-as-you-go capital project contributions, do not exceed projected revenues. As a management policy, budgetary control is maintained in the General, Special Revenue, and Enterprise Funds at the program level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Purchase orders that result in overruns of balances are not processed until sufficient appropriations are made available through approved intrafund transfers. Encumbered amounts at year-end are recorded as a reservation of fund balance and are reflected as an adjustment to the ensuing year's budget. A six-year projection of revenues and expenditures for the General, Special Revenue, and Enterprise Funds is prepared each fiscal year to provide strategic perspective to each annual budget process.
2. **Fund Structure:** The accounts of the City are organized into funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue, and expenditures (or expenses, as appropriate). Government resources are allocated to and accounted for in individual funds based on the purposes for which they are to be expended and the means by which spending activities are controlled. The City uses governmental funds and enterprise funds. Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use, and balance of the City's expendable financial resources and the related liabilities (except for those accounted for in the enterprise funds) are accounted for through governmental funds. The City's governmental funds are the General Fund, the Special Revenue Funds, the Capital Projects Fund, and the Debt Service Fund. The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted by legal and regulatory provisions or budgeted contributions from outside sources to financial specific activities. The City's Special Revenue Funds are the Property Management Fund, the Special Activities Fund, and the Community Development Block Grant Fund. The Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital facilities and general capital construction, including streets, parks, and public buildings (other than those financed by enterprise funds). The Debt Service Fund, which includes special assessments, is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The enterprise funds are the Water Facility Fund, the Sewer Fund, the Refuse Fund, the Parking Fund, the Stormwater Management Fund, and the RedGate Golf Course Fund. The relationship between all of the funds of the City of Rockville is listed below. Specific details of each fund are located in the Fund Summaries section.

Governmental Funds:

General Fund

Special Revenue Funds:

Property Management Fund

Special Activities Fund

Community Development Block Grant Fund

Capital Projects Fund

Debt Service Fund

Enterprise Funds:

Water Facility Fund

Sewer Fund

Refuse Fund

Parking Fund

Stormwater Management Fund

RedGate Golf Course Fund

Financial Management Policies

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3. **Basis of Budgeting:** Budgets for governmental and proprietary (or enterprise) funds are adopted on a basis consistent with Generally Accepted Accounting Principles. Accordingly, all governmental fund budgets are presented on the modified accrual basis of accounting and therefore, all unencumbered annual appropriations lapse at fiscal year end. Under this method of accounting, revenue and other governmental fund resources are recognized in the accounting period in which they become susceptible to accrual – that is, when they become both “measurable and available” to finance current operating expenditures for the fiscal period. In applying the susceptible to accrual concept to real and personal property tax revenue recognition, “available” means property tax revenue is recognized currently if levied before the fiscal year-end and collected by intermediaries within 60 days after the fiscal year-end. Utility and franchise fees, licenses and permits, fines and forfeitures, charges for services, and miscellaneous revenue (except investment earnings) are recorded as revenue when cash is received because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are both measurable and available. For grant revenue such as the Community Development Block Grant (CDBG) program, which is dependent upon expenditures by the City, revenue is accrued when the related expenditures are incurred. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term debt which are recognized when due. The enterprise fund budgets are presented on the full accrual basis of accounting. Under this method of accounting, revenue is recognized when earned and expenses are recognized when they are incurred. For example, earned but unbilled utility revenues are accrued and reported in the financial statements. Enterprise fund capital purchases are budgeted in the operating budget and recorded as expenses during the year; at year-end, they are capitalized for financial statement purposes.
4. **Capital Improvements Program (CIP) Practices:** Along with the operating budget, the City Manager submits a CIP to the Mayor and Council. This document provides for improvements to the City’s public facilities for the ensuing fiscal year and five years thereafter. The first year of the plan establishes a capital budget for the new fiscal year. The remaining five years serve as a guide for use in determining probable future debt issuance needs and operating cost impacts. *The Capital Budget is adopted at the fund level.* CIP expenditures are accounted for in the Capital Projects Fund or the appropriate enterprise funds and are funded by a variety of sources. The City strives to maintain a high reliance on “pay-as-you-go” financing for its capital improvements in order to maintain debt within prudent limits. The City’s most recent bond ratings received with general obligations issued in 2001 are “Aa1” issued by Moody’s Investors Service and a Standard and Poor’s rating of “AA+”; both are considered enviable ratings.

Cash Management/Investment Practices

1. All cash is combined into one pooled operating account to facilitate effective management of the City’s resources.
2. The City is authorized to invest in any and all types of investments except where specifically prohibited by Maryland statutes. Permissible investments are federal obligations, including repurchase agreements supported by federal obligations.

Accounting, Auditing, and Reporting Practices

1. The basis of accounting within governmental fund types used by the City of Rockville is modified accrual as well as the “current resource measurement focus.” Under this method of accounting, revenue is recorded when susceptible to accrual, such as when measurable and available for the funding of current appropriations. All enterprise funds follow the accrual basis of accounting, as well as the “capital maintenance measurement focus.” Under this method of accounting, revenues are recognized when earned, as billed and unbilled, and expenses are recorded when incurred.

Financial Management Policies

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Accounting, Auditing, and Reporting Practices, continued

2. The City places continued emphasis on maintenance of an accounting system which provides strong internal budgetary and accounting controls designed to provide reasonable, but not absolute, assurances regarding both the safe-guarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and reports, such as the budget and the *Comprehensive Annual Financial Report*, as well as the maintenance of accountability of assets.
3. An independent audit of the City of Rockville is performed annually.
4. The City of Rockville issues a *Comprehensive Annual Financial Report* in accordance with Generally Accepted Accounting Principles outlined by the Governmental Accounting Standards Board.

Revenue and Expenditure, Capital Financing, and Debt Management Policies

In June 1989, the Mayor and Council adopted a set of fiscal policies regarding the projection of revenues and expenditures, capital financing, and debt management. As part of the FY 1999 budget process, the Mayor and Council reviewed these policies. The Mayor and Council adopted the revised policies, listed below, in May 2001. The introduction section of the Capital Improvements Program provides details of the City's compliance with the Capital Financing and Debt Management Policies, see page 207.

Revenue and Expenditure Policies

1. The City will strive to adopt an annual General Fund budget in which expenditures, net of pay-as-you-go capital project contributions, do not exceed projected revenues.
2. A five-year projection of revenues and expenditures for the General, Enterprise, and Debt Service Funds is prepared each fiscal year to provide long-range, strategic perspective to each annual budget process.
3. On an annual basis the City will set fees and rates for the enterprise funds at levels which fully cover total direct and indirect operating costs, and all capital outlay and debt service, except where the City is not the sole provider of the service and competitive rates must be taken into consideration. In these instances, fees and rates must at least cover all direct and indirect operating expenses.

Capital Financing and Debt Management Policies

1. Long-term borrowing will not be used to finance current operations or normal maintenance.
2. All debt issued, including by lease-purchase methods, will be repaid within a period not to exceed the expected useful lives of the improvements financed by the debt.
3. The City will not issue tax or revenue anticipation notes.
4. The City will strive to maintain a high reliance on pay-as-you-go financing for its capital improvements.
5. The City will maintain its net tax-supported debt at a level not to exceed 0.8 percent of the assessed valuation of taxable property within the City.
6. The City will strive to ensure that its net tax-supported debt per capita does not exceed \$700. The City will strive to ensure that the combined total of its direct net bonded debt and its attributed share of overlapping debt issued by Montgomery County does not exceed \$2,000 per capita.
7. The City will strive to ensure that its net tax-supported debt per capita as a percentage of federal adjusted gross income does not exceed two and one-half percent.
8. The City will maintain its annual net tax-supported debt service costs at a level less than 15 percent of the combined expenditure budgets (net of interfund transfers) for the General, Special Revenue, and Debt Service Funds.
9. The City will maintain an unreserved undesignated General Fund fund balance at a level not less than 15 percent of annual General Fund revenue. The reduction of the fund balance from its current required level of 25 percent (as of 1998, for the FY 1999 budget) will take place in annual increments of five percent, as provided for in the City's *Long-Range Fiscal Analysis*. The reduction of fund balance dollars will be used for pay-as-you-go financing for capital improvements or for other one-time capital items. The purpose of this unreserved balance is to alleviate significant unanticipated budget shortfalls and to ensure the orderly provisions of services to residents. Use of these funds below the required level must be approved by specific action of the Mayor and Council.

Financial Management Policies

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Capital Financing and Debt Management Policies, continued

10. To the extent that unreserved General Fund fund balance exceeds the target, the City will draw upon the fund balance to provide pay-as-you-go financing for capital projects or for other one-time capital items.
11. Annually, a six-year Capital Improvements Program (CIP) plan will be developed analyzing all anticipated capital expenditures by year and identifying associated funding sources. The plan will also contain projections of how the City will perform over the six-year period in relation to the fiscal policies that refer to debt ratios.
12. The first year of the six-year (CIP) and any unspent funds from prior years will be appropriated as part of the annual budget process. The CIP will be appropriated by fund. At least semi-annually, the City Manager will notify the Council of any transfers between projects within a fund.
13. The City will maintain a Capital Projects Monitoring Committee composed of City staff, which will meet not less than once every six months to review the progress on all outstanding projects as well as to revise spending projections.
14. If new project appropriation needs are identified at an interim period during the fiscal year, at the fund level, the appropriations ordinance will be utilized to provide formal budgetary authority for the increase. Any significant impact resulting from the change on the overall CIP and on the debt ratios will be indicated at that time.
15. Each year, a closing resolution will be submitted to the Mayor and Council to obtain formal authorization to close completed capital projects. The unexpended appropriations for these projects will be returned to the fund from which the appropriations were made.

Mayor and Council 2002-2007 Strategic Plan






At the beginning of the 2001-2003 term, the newly elected Mayor and Council initiated a goal-setting process and developed their 2002-2007 Strategic Plan. With the assistance of a facilitator and direct citizen participation through a community summit, the Mayor and Council identified eleven principles for guiding City policies and decisions, five long-term goals, and prioritized 22 action items to be accomplished during FY 2003 and FY 2004. The Mayor and Council review their Strategic Plan quarterly. This section outlines the goals and action items that staff have been directed to achieve in partnership with the Mayor and Council and Rockville residents.

The following guiding principles define for the Mayor and Council, the community, and City staff, key principles for Rockville's continued success.

Guiding Principles

- Redevelop Town Center to serve as the Rockville community center.
- Preserve the integrity and character of our neighborhoods.
- Encourage citizens to have a voice in City government.
- Celebrate diverse cultures, all contributing to our community.
- Protect our natural resources – our trees, wetlands, and green spaces.
- Communicate Rockville's unique, recognizable, and positive identity that is distinctive from others.
- Sustain Rockville as a friendly, interactive community with a small town feeling.
- Provide a great place to live and raise a family.
- Ensure that development enhances the quality of life for residents.
- Leverage and preserve Rockville's heritage.
- Promote the principles of Smart Growth for a sustainable community.

The Mayor and Council's five goals are listed below. Next to each of the Mayor and Council's goals is an icon to represent that goal. This icon is used throughout the budget document to demonstrate which department goals, division FY 2004 objectives, CIP program area goals, and individual CIP projects support each of the Mayor and Council's goals.

- Vibrant Town Center  TC
- Better Mobility  BM
- Superior City Services  SCS
- Strengthened Neighborhoods  SN
- Rockville: Community Identity and Pride  RCI

Within each goal are action items that identify the specific actions that need to be taken to address the goal for FY 2004. The goals are listed in bold with an icon and the action items are indicated by bullets.

Goals and Action Items

Vibrant Town Center TC

- Town Center Development Agreement Completed
 - Rockville Library Design
 - Town Center Financial Participation: County, State, Federal
 - Town Center Parking District Strategy: Plan and Approval
- Future Town Center Development
 - Maryland Avenue Alignment North of Beall Avenue
 - Foster Development of RCI Property
 - Redevelopment Strategy for North Stonestreet Avenue
 - Redevelopment of WMATA Property

Mayor and Council 2002-2007 Strategic Plan

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Goals and Action Items, continued

Better Mobility

- Pedestrian Safety Action Plan 2002
- Adequate Public Facilities Ordinance (APFO)
- Cut-Through Traffic Strategy: Problem Evaluation and Action Plan
- Shuttle Service: Town Center Pilot and Plan for Expansion
- Bikeway Master Plan Implementation

Superior City Services

- EGovernment: IT Investments, Web Improvements, Searchable Website, Online Payments
- Police Services: Evaluation and Future Direction
- City Space: Analysis of Plans and Options, Future Direction with Funding
- Organization and Management Audits: Process and Direction
- Customer Service and CSR Process Review

Strengthened Neighborhoods

- Neighborhood Plans (Lincoln Park, East Rockville)
- Land Use and Zoning Ordinance Changes
- Moore Drive Redevelopment
- Code Enforcement: Problem Analysis, Outcome, and Upgraded Code and Program

Rockville: Community Identity and Pride

- Charter Review: Election Process
- Campaign Policy: Evaluation and Revisions
- Boards and Commissions: Evaluation, Purposes, Processes
- Neighborhood and Civic Associations: Strategy for Working Together, with the City of Rockville
- Preserving Historic Properties

More information about the Mayor and Council's 2002-2007 Strategic Plan can be found on the City's Web site, www.ci.rockville.md.us.

Department Goals

The Mayor and Council Strategic Plan goals and action items provide a major focus for the work plan for the organization. The Mayor and Council goals have been tied to the department goals, the division objectives, and the goals of the program areas in the CIP to show a unity of support throughout the document. Departments have tied their goals and the divisions have tied their FY 2004 objectives to the Mayor and Council's goals whenever possible and demonstrated this by listing the appropriate icon as shown below. In addition, the objectives of each CIP program area also reference a specific goal by using the icons, where appropriate.

The following are the Mayor and Council's goals (followed by the icon), the FY 2003 action items for each goal (solid circular bullets), the departments that are addressing the action item (in parentheses), the completed steps achieved to address the action item during FY 2003 (check mark bullets), and the status of future steps to complete the action item (square bullets).

Town Center TC

- Town Center Development Agreement Completed (City Manager, Community Planning and Development Services, Finance, Public Works, City Attorney's Office)
 - ✓ Mayor and Council adopted Town Center Master Plan – October 2001
 - ✓ Submitted request for State funding – November 2002
 - ✓ Prepared draft transition plan – Fall 2002
 - ✓ Signed Letter of Intent with Montgomery County – December 2002
 - ✓ Developed design guidelines with County architects – Winter 2002
 - ✓ Submitted State bond bill to fund portion of Maryland Avenue – February 2003
 - ✓ Presented design guidelines to the public – February 2003
 - ✓ Determined impact on school capacity – March 2003
 - ✓ Drafted GDA – Spring 2003
 - ✓ Presented traffic analysis – May 2003
 - ✓ Selected co-developer – July 2003
 - ✓ Identified mix of business desired in Town Center – July 2003
 - Acquisition of shopping center – February 2003 thru January 2004
 - CIP funding of City's share of infrastructure, parking, and public match – June 2003
 - Testify and work with County to ensure funding in County's CIP – Summer/Fall 2003
 - Sign GDA – August 2003
 - Development review process – Summer/Fall 2003
 - Prepare documentation to create parking district – Summer/Fall 2003
 - Transfer site for the library to the County – Fall 2003
 - Arts and entertainment plan – Fall 2003
 - Acquire and provide land for parking garages – Fall 2003
 - Site preparation – February 2004
 - Start library construction – February 2004
 - Start private construction – February 2004
 - Traffic abatement plan implementation – October 2004
 - Improve pedestrian safety at key intersections – October 2004
 - Opening – Fall 2005
 - Selection of condominium developer – TBD
- Future Town Center Development (City Manager, Community Planning and Development Services, City Attorney's Office)
 - Redevelopment North of Beall Avenue
 - ✓ Preliminary alignment for Maryland Avenue selected by developer – December 2002
 - Prepare concept site plan – October 2003
 - Complete right-of-way acquisition study – Fall 2003
 - Determine impacts to property owners – Fall 2003
 - Public input process – Winter 2003/2004
 - Analyze costs – Winter 2003/2004

Department Goals

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Town Center, continued TC

- North Stonestreet Redevelopment
 - Complete East Rockville and Lincoln Park neighborhood plans – October/December 2003
 - Hire consultant – November 2003
 - Prepare development strategy – Winter 2003/2004
 - Determine developer interest – Spring 2004
- WMATA Redevelopment
 - ✓ Convened WMATA, SHA, Montgomery County, MDOT, and adopted a mission statement and goals – September 2002
 - WMATA RFP – Summer 2003
 - Prepare draft redevelopment strategy – Fall 2003
 - WMATA solicit redevelopment proposals – June 2004
- Monitor RCI Property
 - ✓ Periodic contact with Blackacre (owner)

Better Mobility

- Pedestrian Safety Action Plan 2002 (Police, Public Works, Recreation and Parks)
 - ✓ Renewed or installed 15 crosswalks – June 2003
 - Additional 15 crosswalks to be renewed or installed – August 2003
 - Pedestrian signals at intersections:
 - ✓ Wootton Parkway at Rockshire Shopping Center – Complete
 - ✓ Redland Boulevard at Thompson's Dairy – Complete
 - Baltimore Road at Rockville High School – funded by MCPS, construction to coincide with opening of high school
 - Nelson Street – FY 2004
 - ✓ Implemented Red Light Camera Program: 5 cameras installed – Complete
 - ✓ Implemented a bicycle/pedestrian safety K-12 education program in local schools adopted by MCPS – February 2003
 - ✓ Installed pedestrian paddle signage at eight locations – Complete
 - ✓ Increased pedestrian time at key state-owned, county-operated intersections – Complete
 - Install one additional red light camera – October 2003
 - Illuminated crosswalk pilot – October 2003
 - North Horners traffic calming/pedestrian safety devices – October 2003
 - Darnestown Road additional sidewalk construction or signal installation – November 2003
 - Install speed indicator signs at three additional locations (currently at Wootton and Redland) – January 2004
- Adequate Public Facilities Ordinance (APFO) (Community Planning and Development Services, Public Works, City Attorney's Office)
 - ✓ Hired a consultant – June 2002
 - ✓ Held preliminary worksessions with the Mayor and Council – June/November 2002
 - ✓ Prepared a draft APFO (consultant's report) – June 2002/April 2003
 - ✓ Held a public forum – May 2003
 - Hold public hearing on final draft of APFO – September 2003
 - Update the standard traffic methodology (comprehensive transportation methodology) – November 2003
 - Expected adoption of the APFO – December 2003
- Cut-Through Traffic Strategy: Problem Evaluation and Action Plan (Neighborhood and Community Services, Public Works)
 - ✓ Doubled speeding fines in school zones near Wootton High School – Summer 2001
 - ✓ Doubled speeding fines in school zones near Robert Frost Middle School – Fall 2001

Department Goals

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Better Mobility, continued

- ✓ Identified top 50 worst speeding locations – July 2002
- ✓ Doubled speeding fines in school zones near Julius West Middle School – Fall 2002
- ✓ Modified Argyle Street – January 2003
- ✓ Doubled speeding fines in school zones near Beall Elementary School – May 2003
- ✓ Modified Dundee Road (construction complete, landscaping October 2003) – May 2003
 - Hurley Avenue circles – Under construction
 - ✓ Bouldercrest Court – June 2003
 - Feather Rock Drive – October 2003
 - Design future traffic calming projects, prioritizing based on severity of speeding and volume concerns:
 - Glenora Lane – August 2003
 - Baltimore Road – December 2003
- Shuttle Service: Town Center Pilot and Plan for Expansion (Public Works)
 - ✓ Collected data to determine need – February 2003
 - ✓ Notified State grant funding not available – April 2003
 - Survey residents within and adjacent to Town Center regarding need for transportation during Town Center construction – July 2003
 - Recommendation on Town Center transportation plan to Mayor and Council – September 2003
 - Implement transportation plan – January 2004
- Bikeway Master Plan Implementation (Public Works, Recreation and Parks)
 - ✓ Installed 33 new bike racks in Town Center – September 2002
 - ✓ Modified Nelson Street to create more room in the travel lane and bike lane in front of the shopping center – November 2002
 - ✓ Implemented a pilot K-5 bicycle/pedestrian education program with Rockville schools adopted by MCPS – February 2003
 - ✓ Provided recommendations to update the Bikeway Master Plan, including process for ensuring citizen and neighborhood input, Planning Commission, and Mayor and Council review of proposed modifications – March/October 2003
 - Complete the Millennium Trail section between Gude Drive and Veirs Mill Rd – May 2004
 - Complete the Millennium Trail section from Veirs Mill Road to Edmonston Drive – November 2004
 - Construct the I-270 pedestrian/bicycle bridge and associated paths – May 2005

Superior City Services

- E-Government: IT Investments, Web Improvements, Searchable Website, Online Payments (Information and Technology, Finance, Recreation and Parks)
 - ✓ Added a search engine to the Web site – August 2002
 - ✓ Added a feature for users to schedule and check on the status of inspections via IVR- October 2002
 - ✓ Enhanced front page design and navigation to the Web site – November 2002
 - ✓ Conducted focus groups to gather information for Web site redesign- November 2002/April 2003
 - ✓ Implemented live streaming video over the internet – January 2003
 - ✓ Implemented a new CSR system – April 2003
 - ✓ Purchased a web content management system – May 2003
 - ✓ Implemented an interactive GIS system for the Web – June 2003
 - Add a feature for users to check the status of inspections via the Web – August 2003
 - Develop a system to allow online animal license renewal – September 2003

Department Goals

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Superior City Services, continued

- Redesign the City's Web site and implement a content management system – September 2003
- Implement e-pay and e-apply software modules for Permit*Plan (the City's permit software) – October 2003
- Research and implement online utility payments – January 2004
- Police Services: Evaluation and Future Direction (City Manager, Police)
 - ✓ Awarded a contract for the study consultant – December 2002
 - Consultant report presented to Mayor and Council – September 2003
 - Consider any changes to service levels in the budget process – FY 2005
- City Space: Analysis of Plans and Options, Future Direction with Funding (City Manager, Recreation and Parks)
 - ✓ Identified funding in the CIP for a police station in FY 2009-FY 2010 – February 2003
 - Finalized funding for expanded renovations to City Hall and the Bouic House – March/April 2003
 - Begin City Hall renovation construction – November 2003
 - Complete City Hall renovation construction – November 2004
- Organization and Management Audits: Process and Direction (City Manager)
 - ✓ Completed Core Business Analysis with consultant – September 2002
 - ✓ Evaluated Police services – December 2002/September 2003
 - ✓ Conducted performance measurement audits – January 2003
- Customer Service and Customer Service Request (CSR) Process Review (City Manager)
 - ✓ Began sending customer feedback forms to citizens filing CSRs – September 2002
 - ✓ Improved CSR report format and access to information – March 2003
 - ✓ Conducted a worksession to outline customer service goals – May 2003
 - ✓ Received results of citizen survey – June 2003
 - Employee customer service team develops training needs – June/October 2003
 - Implement customer service training – Winter 2004

Strengthened Neighborhoods

- Neighborhood Plans for Lincoln Park and East Rockville (Community Planning and Development Services)
 - ✓ Appointed Neighborhood Plan Advisory Groups (NPAGs) – June/July 2002
 - ✓ Facilitated Neighborhood Plan meetings – June 2002/April 2003
 - Hold Community Meetings in advance of draft plan release – March/September 2003
 - Present draft plans to the Planning Commission and the Mayor and Council – September/October 2003
 - Hold public hearings – September/October 2003
 - Adopt the East Rockville Neighborhood Plan – October 2003
 - Adopt the Lincoln Park Neighborhood Plan – December 2003
- Land Use and Zoning Ordinance Changes (Community Planning and Development Services, City Attorney's Office)
 - ✓ Researched actions taken by other communities – Summer 2002
 - ✓ Developed a proposed text amendment to remove off-site parking provisions in residential zones – Summer 2002
 - ✓ Researched best practices related to land use in residential areas – Summer 2002
 - ✓ Met with representatives of various institutions about their concerns – Summer 2002
 - ✓ Assessed the scope and resource needs and developed a time-frame for accomplishing goal – January 2003

Department Goals

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Strengthened Neighborhoods, continued

- ✓ Determined whether comprehensive Zoning Ordinance revisions or specific text amendments should be utilized – May 2003
- Prepare a list of specific text amendments – Fall 2003
- Prioritize the list of specific amendments to be processed by staff – Fall/Winter 2003
- Moore Drive Redevelopment (Community Planning and Development Services, City Attorney's Office)
 - ✓ Approved the Memorandum of Understanding between the City, RHE, and Mid-City Urban – Spring 2002
 - ✓ Approved the Master Development Agreement between the City, RHE, and Mid-City Urban – Spring 2002
 - ✓ RHE submitted Disposition Application to HUD – September 2002
 - ✓ RHE submitted application for HOPE VI funds – December 2002
 - RHE application for HOPE VI funding and disposition application denied; action item on hold
 - Resubmit disposition application – July 2003
 - The following items will be scheduled when HUD approval is obtained:
 - Begin resident relocation
 - Review and process the PRU application in a timely manner
 - Convey one-acre of Lincoln Park Terrace to RHE for inclusion in proposed development
 - Construction begins
 - Project completed
- Code Enforcement: Problem Analysis, Outcome, and Upgraded Code and Program (Community Planning and Development Services, Neighborhood and Community Services, City Attorney's Office, Police)
 - ✓ Prepared public information about codes – February/May 2003
 - ✓ Conducted inventory of gravel driveways – April 2003
 - ✓ Sought community input – April/May 2003
 - ✓ Held a worksession with the Mayor and Council – June 2003
 - ✓ Presented a summary of public input with recommendations to the Mayor and Council – June 2003
 - Present revision of codes to regulate placement of residential trash containers, incomplete building projects, vacant structures, and farm animals – October 2003
 - Present revision on gravel driveways, canopies, and oversized vehicles to Mayor and Council – December 2003

Rockville: Community Identity and Pride

- Charter Review: Election Process (City Attorney's Office, City Clerk's Office)
 - ✓ Appointed members of the Charter Commission – July 2002
 - ✓ Facilitated public forums on charter issues – September 2002
 - ✓ Presented the Charter Review Commission report to the Mayor and Council – December 2002
 - ✓ Held Public Hearings on the Charter Review Commission report – January 2003
 - ✓ Held Public Hearings on specific charter change proposals – March 2003
 - ✓ Adopted charter and City Code changes – April 2003
 - ✓ Adopted resolution placing referenda regarding length of terms on ballot – May 2003
 - Place referenda regarding length of terms on ballot – November 2003

Department Goals

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Rockville: Community Identity and Pride, continued ♥

- Campaign Policy: Evaluation and Revisions (City Attorney's Office, City Clerk's Office)
 - ✓ Held multiple worksessions to draft a policy – May/December 2002
 - ✓ Held Public Hearings on draft policy – January 2003
 - ✓ Mayor and Council held discussions and provided instructions to staff on campaign policy – February 2003
 - ✓ Adopted campaign policy – February 2003
- Boards and Commissions: Evaluation, Purposes, Processes (City Clerk's Office)
 - ✓ Mayor held meetings with the chairs of the Boards and Commissions – Spring 2002
 - ✓ Mayor selected Mayor and Councilmembers as liaisons to the Boards and Commissions – August 2002
 - ✓ Resumed appointment process with involvement of Mayor and Council liaison – September 2002
 - ✓ Passed resolutions disbanding STEC and forming a Commission on the Environment – October 2002
 - ✓ Instituted a Board and Commission information item at the end of the agenda for each regular general session – November 2002
 - ✓ Held meetings with Mayor and Council liaisons and the Boards and Commissions – May 2003
 - Conduct an orientation for new Board and Commission members – September 2003
- Neighborhood and Civic Associations: Strategy for Working Together, with the City of Rockville (Neighborhood and Community Services)
 - ✓ Held the first Neighborhood Conference – September 2002
 - ✓ Established a steering committee with monthly meetings – Fall/Winter 2002
 - ✓ Held second Neighborhood Conference on Town Center – February 2003
 - Hold third Neighborhood Conference with District 17 delegation – September 2003
- Preserving Historic Properties (Community Planning and Development Services)
 - ✓ Hired three FTEs for historic preservation functions – October/November 2002
 - ✓ Began publishing an informational brochure explaining the benefits of historic preservation and established a regular article in the *Rockville Reports* (ongoing) – January 2002
 - ✓ Designated 14 historic properties (4 in process) – January 2002/May 2003
 - ✓ Implemented an expedited process for historic reviews – September 2002
 - ✓ Created an Historic Rockville logo – October 2002
 - ✓ Distributed packets to historic district property owners – October 2002
 - ✓ Conducted historic preservation forums – October 2002/February 2003

Summary of Major Policy Documents

The following policy documents guide the City's strategic planning and ongoing operations:

City Charter

The City of Rockville became incorporated through the adoption of a City Charter in 1860. The Charter empowers the City to pass ordinances, in accordance with the laws of the State of Maryland, necessary for the good government of the City. For additional information, please contact the City Clerk's Office at (240) 314-8280.

City Code

The City Code contains all general and permanent ordinances of the City of Rockville. These ordinances are codified in accordance with state law. For additional information, please contact the City Clerk's Office at (240) 314-8280 or visit the City's Web site, www.ci.rockville.md.us.

Long-Range Fiscal Analysis

In July 2000, the City contracted with Tischler & Associates, Inc to develop a fiscal analysis model that can analyze whether revenues generated by different growth scenarios are sufficient to cover the resulting costs for service and facility demands placed on the City. The model, which can be updated annually by City staff, provides specific information for defined growth areas, such as King Farm or Town Center, as well as consolidated data for growth areas combined. The assumptions underlying the model can be changed readily to answer a variety of "what-if" queries. The length of time covered by the model provides needed information for decision-making in the annual budget and capital improvements program process.

The first report generated by the model was produced in November 2001 and covered the period FY 2002 – FY 2014. The results of this report were used to set initial spending targets for the Operating Budget and the Capital Improvements Program during the FY 2003 budget development process. The model will be updated internally every other year and presented to the Mayor and Council prior to the annual budget process. The Long-Range Fiscal Analysis replaces the ten-year Strategic Plan, prepared in FY 1998 and updated the following year. For additional information, please contact the Department of Finance at (240) 314-8400.

Master Plan

The current Master Plan was adopted in November 2002. This document is a tool for guiding and accomplishing the coordinated and harmonious future development of the City. The broad vision of the Master Plan is that Rockville will continue to emphasize the characteristics of a small town, offer an excellent quality of life, provide a responsive government, and have a distinct identity tied to its history. In general, the plan reaffirms the City's commitment to the integrity of neighborhoods, a variety of housing options, Town Center, the environment, open space, parks and recreation, and a multi-modal transportation system. The Master Plan provides:

- A factual basis for making major planning and zoning decisions.
- A guide for planning capital improvements and public services.
- A framework for the creation of detailed neighborhood plans.
- Assistance in coordinating decision-making between public and private interests.

For additional information, please contact the Department of Community Planning and Development Services at (240) 314-8200 or visit the City's Web site, www.ci.rockville.md.us.

Summary of Major Policy Documents

— Continued —

Neighborhood Plans

Neighborhood plans constitute an effort to integrate local concerns with long range planning policies and programs at the citywide level. Rockville is divided into 18 planning areas. Neighborhood plans are amendments to the Master Plan that address and expand on the development strategy for each of these planning areas. These plans must comply with the goals and objectives of the Master Plan.

Neighborhood plans typically address major aspects of development:

1. Land use and zoning
2. Housing
3. Circulation (i.e., traffic, mass transit, bicycling/pedestrian issues)
4. Community services and facilities

Major Neighborhood Plans include:

- Twinbrook, adopted February 1982
- Croydon Park, adopted March 1982
- Lincoln Park, adopted April 1984
- Hungerford/New Mark Commons/ Monroe - Lynfield, adopted March 1985
- Westmont (Tower Oaks), adopted March 1985
- Rockville Pike Corridor, adopted April 1989
- West End-Woodley Gardens East/West, adopted September 1989
- Town Center Master Plan, adopted October 2001

The Lincoln Park Neighborhood Plan is being updated with adoption expected in December 2003 and the East Rockville (formerly Croydon Park) Neighborhood Plan is being updated with adoption expected in October 2003. For additional information, please contact the Department of Community Planning and Development Services at (240) 314-8200.

Watershed Management Plans

High levels of runoff and urban pollutants from existing development in Rockville exacerbate stream erosion and degrade water quality and aquatic life. To address these problems, management plans have been developed for the City's three watersheds to evaluate stream conditions, identify locations of needed improvements, and recommend CIP projects for stormwater management and stream restoration. Rockville's watershed management plans contribute to the region-wide effort to improve the Chesapeake Bay. Our watershed plans support the goals of the voluntary C2K (Chesapeake Bay Agreement) initiatives, as well as the mandatory TMDL (Total Maximum Daily Loads) requirements imposed through the Clean Water Act. Additionally, our watershed plans are a component of the mandatory NPDES (National Pollutant Discharge Elimination System) requirements, which also is imposed through the Clean Water Act.

The plans evaluate five areas:

1. Natural resource protection and environmental quality
2. Recreation and park preservation needs
3. Neighborhood concerns
4. City infrastructure protection
5. Stormwater management and stream restoration goals

Summary of Major Policy Documents

— Continued —

Watershed Management Plans, continued

The Watershed Management Plans are:

- Cabin John Creek Watershed Management Plan, adopted February 1996
- Rock Creek Watershed Management Plan, adopted April 2000
- Watts Branch Watershed Management Plan, adopted August 2001

For additional information, please contact the Department of Public Works at (240) 314-8500 or look on the City's Web site under City Projects, www.ci.rockville.md.us.

Water and Wastewater System Studies

Rockville's water and wastewater infrastructure is periodically analyzed to look at the ability to provide sufficient capacity for the Master Plan level of development. In 1994, the water system was comprehensively studied to determine deficiencies and develop capital improvement projects to correct the deficiencies. In some cases, the system inadequacies are caused by age and normal deterioration. In most cases, problems are ameliorated by the "cleaning and lining" projects. In other cases, deficiencies develop due to increased levels of development causing the existing infrastructure to be undersized. Typically, these problems are corrected by adding new water lines or increasing the size of the existing water mains. The *1994 Pitometer Water System Study* was augmented in 2000 by a study of the area around the Thomas Farm resulting in additional system improvements. The next comprehensive water system analysis is scheduled for 2006.

Rockville periodically examines its three sewer sheds, Cabin John, Rock Creek, and Watts Branch, to determine what upgrades, if any are needed to convey sewage associated with projected levels of development. The 2001 Cabin John Wastewater System Study revealed that the trunk sewer must be upgraded in size. Accordingly, a number of CIP projects were created. The Watts Branch sewer shed was studied in 1996, resulting in system improvements that have already been implemented. For additional information, please contact the Department of Public Works at (240) 314-8500 or look on the City's Web site under City Projects, www.ci.rockville.md.us.

Environmental Guidelines

Adopted in 1999, the *Environmental Guidelines* establish a comprehensive and cohesive method to protect the City's natural resources during and after the development process. They provide for the identification of existing natural resources and present various environmental management strategies and criteria to govern development within the City of Rockville. For additional information, please contact the Department of Community Planning and Development Services at (240) 314-8200. This document is posted on the City's Web site, www.ci.rockville.md.us.

Directory of Management Team

Management Team

W. Mark Pentz	City Manager	(240) 314-8100
Donna J. Boxer	Director of Finance	(240) 314-8400
Michael Q. Cannon	Director of Information and Technology	(240) 314-8162
Arthur D. Chambers	Director of Community Planning and Development Services	(240) 314-8200
Jessica Chin	City Management Intern	(240) 314-8107
Eugene H. Cranor	Director of Public Works	(240) 314-8500
W. Bowman Ferguson	Assistant to the City Manager	(240) 314-8105
Claire F. Funkhouser	City Clerk/Treasurer	(240) 314-8280
Paul T. Glasgow	City Attorney	(240) 314-8150
Neil Greenberger	Public Information Manager	(240) 314-8115
Richard J. Hajewski	Director of Personnel	(240) 314-8470
Burton R. Hall	Director of Recreation and Parks	(240) 314-8600
Catherine Tuck Parrish	Assistant City Manager	(240) 314-8103
Guerdon H. Stuckey	Director of Neighborhood and Community Services	(240) 314-8300
Terrance N. Treschuk	Chief of Police	(240) 314-8910

Directory of Officials and Boards and Commissions

Mayor and Council

Larry Giammo	Mayor	(240) 314-8291
Robert E. Dorsey	Councilmember	(240) 314-8292
John F. Hall, Jr.	Councilmember	(240) 314-8293
Susan R. Hoffmann	Councilmember	(240) 314-8294
Anne M. Robbins	Councilmember	(240) 314-8295

Boards and Commissions

<u>Board or Commission</u>	<u>Chairperson</u>	<u>Staff Liaison</u>	<u>Staff Phone Number</u>
Animal Matters Board	Lucille Roberts	Charlie Holzberger	(240) 314-8916
Board of Appeals	Alan Sternstein	Castor Chasten	(240) 314-8223
Board of Supervisors of Elections	Doris Ecelbarger	Claire Funkhouser	(240) 314-8280
Compensation Commission	Bridget Newton	Claire Funkhouser	(240) 314-8280
Cultural Arts Commission	John Moser	Betty Wisda	(240) 314-8681
Environment Commission	Ira Feldman	Pamela Rowe	(240) 314-8212
Historic District Commission	Anita Neal Powell	Judy Christensen	(240) 314-8232
Human Rights Commission	Michael Berman	Janet Kelly	(240) 314-8316
Human Services Advisory Commission	William Goodwin	Mary Lou Jacobs	(240) 314-8303
Landlord-Tenant Affairs Commission	Edward Gonzague	Edward Duffy	(240) 314-8206
Personnel Appeals Board	Irving Shapiro	Richard Hajewski	(240) 314-8470
Planning Commission	Peggy Metzger	Bob Spalding	(240) 314-8222
Recreation and Park Advisory Board	Vincent Boylan	Burt Hall	(240) 314-8600
Retirement Board	Allen Gorrellick	Donna Boxer	(240) 314-8400
Rockville Housing Enterprises	Lloyd Welter	Edward Duffy	(301) 424-8206
Rockville Seniors Inc	Ron Barber	Jill Hall	(240) 314-8802
Rockville Sister City Corporation	David L'Heureux	Chris Heckhaus	(240) 314-8603
Senior Citizens Commission	Ciriaco Gonzales	Lorraine Schack	(240) 314-8812
Sign Review Board	Robert Turner	Linda MacDermid	(240) 314-8242
Traffic and Transportation Commission	Richard Resnick	Larry Marcus	(240) 314-8505

In FY 2003, the Mayor and Council decided that each member of the governing body would serve as a liaison to certain boards and commissions. The following represents the participation of each member of the Mayor and Council:

Mayor Larry Giammo: Greater Rockville Partnership; Planning Commission; Sign Review Board.

Councilmember Robert E. Dorsey: Animal Matters Board; Human Rights Commission; Landlord/Tenant Affairs Commission; Rockville Housing Enterprises.

Councilmember John F. Hall, Jr.: Board of Supervisors of Elections; Environmental Commission; Personnel Appeals Board; Retirement Board; Traffic and Transportation Commission.

Councilmember Susan R. Hoffman: Board of Appeals; Cultural Arts Commission; Historic District Commission; Recreation and Park Advisory Board; Senior Citizens Commission.

Councilmember Anne M. Robbins: Compensation Commission; Human Services Advisory Commission; Rockville Seniors, Inc.; Rockville Sister City Corporation.

Boards and Commissions Descriptions

Animal Matters Board — A four-member body whose members are appointed by the Mayor and Council to serve three-year terms. The Board mediates petitions; provides written recommendations to the Chief of Police; provides education and counseling on responsible ownership, maintenance, and treatment of animals; and provides advice and recommendations to the Mayor and Council on matters related to the care, training, maintenance, and regulation of animals within the City. (Chapter 3, Rockville City Code)

Board of Appeals — A three-member body appointed by the Mayor and Council to serve three-year terms. The Board is charged with the responsibility of hearing and deciding all appeals and applications for variances and special exceptions, as provided for in the Zoning Ordinance of the City of Rockville. (Chapter 25, Rockville City Code)

Board of Supervisors of Elections — A five-member body whose members are appointed by the Mayor and Council to serve four-year terms. The Board is charged with the conduct of all City elections, registration of voters, and the keeping of records in connection with these functions. (Chapter 8, Rockville City Code and Article III, Charter of the City of Rockville)

Compensation Commission — A five-member body whose members are appointed by the Mayor and Council to serve six-year terms. Established in 1994, the Commission is charged with reviewing the compensation of the Mayor and Council every two years and recommending annual compensation for the five elected officials of the City. (Chapter 2, Rockville City Code)

Cultural Arts Commission — An eleven-member body whose members are appointed by the Mayor and Council to serve two-year terms. The Commission is responsible for the encouragement of arts and culture in the City for the benefit of Rockville citizens. In addition, the Commission recommends to the Mayor and Council appropriate programs, activities, and utilization policies of the City facilities to add to the further development of Rockville as a cultural center. (Chapter 4, Rockville City Code)

Environment Commission — A nine-member body with backgrounds in science, the environment, and education, as well as a student member, whose members are appointed by the Mayor and Council to serve three-year terms. The Commission is responsible for a work program that includes recommending policies and procedures relating to the environment, watershed stewardship and protection, and promoting a sustainable community through initiatives related to natural resource management and development, energy efficiency, pollution and public education. (Resolution No. 20-02)

Historic District Commission — A five-member body whose members are appointed by the Mayor and Council to serve three-year terms. The members represent a demonstrated special interest, experience, or knowledge in the fields of architecture, history, preservation, or urban design. The Commission is charged with recommending the boundaries of the districts that are deemed to be of historic or architectural value in the City of Rockville and in reviewing applications for construction or changes in the historic districts. (Chapter 25, Rockville City Code)

Human Rights Commission — An eleven-member body whose members are appointed by the Mayor and Council to serve four-year terms. The Commission provides community mediation to resolve disputes, as well as adjudicate cases of discrimination occurring in the City. Commissioners sponsor training in mediation and organize City events such as the annual Dr. Martin Luther King, Jr. celebration. (Chapter 11, Rockville City Code)

Human Services Advisory Commission — An eleven-member body whose members are appointed by the Mayor and Council to serve three-year terms. The Commission assists the Mayor and Council in deciding appropriate City roles in human services; conducting an annual assessment of critical human service needs and developing recommendations on whether resources should be reallocated to meet these needs; exploring ways to develop new or enhanced services in areas identified as serious problems; and participating in oversight and evaluation activities to ensure accountability and cost-effectiveness of City and outside providers of human services. (Resolution No. 3-97)

Boards and Commissions Descriptions

— Continued —

Landlord-Tenant Affairs Commission — A seven-member body whose members are appointed by the Mayor and Council to serve three-year terms. The Commission provides a forum for adjudicating differences or disputes between landlords and tenants. (Chapter 18, Rockville City Code)

Personnel Appeals Board — A three-member body whose members are appointed by the Mayor and Council to serve four-year terms. The Board is charged with hearing appeals filed by employees of the City of Rockville in cases of suspension, demotion, or dismissal action taken by the City Manager for disciplinary reasons. (Chapter 15, Rockville City Code)

Planning Commission — A seven-member body whose members are appointed by the Mayor and Council to serve five-year terms. The Commission is charged with formulating and revising a Master Plan for the City of Rockville. The Commission also reviews and makes recommendations to the Mayor and Council on applications for Map and Text Amendments; reviews and makes recommendations to the Board of Appeals on all Special Exception Applications; reviews and decides on applications for use permits; reviews and approves all subdivision plans; and initiates and conducts such other planning studies and functions as are necessary in the overall planning operation of the City. (Chapter 25, Rockville City Code)

Recreation and Park Advisory Board — A nine-member body whose members are appointed by the Mayor and Council to serve two-year terms. The Board is charged with encouraging the development of desirable recreation and park facilities in the City and recommending those programs for young people and adults that suitably reflect the needs of the citizens. One board member position is filled by a youth. (Chapter 14, Rockville City Code)

Retirement Board — A seven-member body whose members are appointed by the Mayor and Council to serve two-year terms. The Board exists for the purpose of generally directing the affairs of the City's retirement system and reviewing its investment policy. (Chapter 15, Rockville City Code)

Rockville Seniors Inc (RSI) — This eleven-member non-profit corporation was created by the Mayor and Council for the purpose of ensuring that the quality of life for all Rockville senior citizens is improved through the properly supported Rockville Senior Center. The corporation does this by generating positive interest from the community to raise funds to maintain and improve the Rockville Senior Center.

Rockville Sister City Corporation — This thirteen-member non-profit corporation was organized to support educational and charitable programs and to provide a continuing relationship between the citizens of Rockville and of Pinneberg, Germany.

Senior Citizens Commission — A nine-member body whose members are appointed by the Mayor and Council to serve three-year terms. The Commission is charged with proposing programs, activities, and legislation to meet the needs of senior citizens in Rockville and with conducting studies necessary to determine those needs. (Resolution Nos. 62-69, 21-70, and 30-73)

Sign Review Board — A four-member body whose members are appointed by the Mayor and Council to serve three-year terms. The Board reviews applications for sign permits and may grant modifications from sign regulations where applicable. (Chapter 25, Rockville City Code)

Traffic and Transportation Commission — A nine-member body appointed by the Mayor and Council to serve two-year terms. The purpose of the Commission is to advise the Mayor and Council and the Planning Commission on all traffic matters in the City and to make appropriate recommendations. (Resolution Nos. 28-72 and 3-76)

